

BISMARCK CITY EMPLOYEE PENSION PLAN

State Investment Board Balance Sheet As of 6/30/2007

	As of <u>6-30-07</u>	As of <u>6-30-06</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 17,303,267	\$ 13,859,792
INTERNATIONAL EQUITIES	7,067,608	5,479,421
DOMESTIC FIXED INCOME	17,176,734	15,598,163
INTERNATIONAL FIXED INCOME	4,285,133	4,155,196
REAL ESTATE	5,033,894	4,385,338
ALTERNATIVE INVESTMENTS	293,616	327,418
INVESTED CASH (NOTE 1)	<u>357,180</u>	<u>140,193</u>
TOTAL INVESTMENTS	51,517,432	43,945,521
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	107,449	102,357
MISCELLANEOUS RECEIVABLE	<u>0</u>	<u>0</u>
TOTAL RECEIVABLES	107,449	102,357
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	4,876,679	4,457,228
OPERATING CASH	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u>\$ 56,501,560</u>	<u>\$ 48,505,106</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	4,876,679	4,457,228
ACCOUNTS PAYABLE	0	0
ACCRUED EXPENSES	0	0
INVESTMENT EXPENSE PAYABLE	<u>79,326</u>	<u>44,926</u>
TOTAL LIABILITIES	4,956,005	4,502,154
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	44,002,952	40,305,437
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>7,542,603</u>	<u>3,697,515</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>51,545,555</u>	<u>44,002,952</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u>\$ 56,501,560</u>	<u>\$ 48,505,106</u>

BISMARCK CITY EMPLOYEE PENSION PLAN

State Investment Board Profit and Loss Statement For the Month Ended 6/30/2007

	Month Ended <u>6-30-07</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 150,257	\$ 1,443,877
SECURITIES LENDING INCOME	<u>24,778</u>	<u>253,234</u>
	175,035	1,697,111
 GAIN ON SALE OF INVESTMENTS	 422,882	 4,497,208
LOSS ON SALE OF INVESTMENTS	<u>261,224</u>	<u>1,978,499</u>
 NET GAINS (LOSSES) INVESTMENTS	 161,658	 2,518,709
 INVESTMENT EXPENSES	 47,581	 256,348
SECURITIES LENDING EXPENSES	22,433	243,483
 NET INVESTMENT INCOME	 266,679	 3,715,989
 NET APPREC (DEPREC) MARKET VALUE	 (181,749)	 3,889,217
MISCELLANEOUS INCOME/(EXPENSE)	<u>(14,110)</u>	<u>(62,603)</u>
 TOTAL INVESTMENT INCOME	 <u>70,820</u>	 <u>7,542,603</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	0	0
 NET INCREASE (DECREASE)	 <u>\$ 70,820</u>	 <u>\$ 7,542,603</u>

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Notes To Financial Statements
June 30, 2007

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.